**Capacity Utilisation of N.F.L. Units**

5034. SHRI DIPANKAR MUKHERJEE: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) the capacity utilisation of National Fertilizer Ltd. Units, production-wise during last three years;

(b) the financial performance during last three years;

(C) whether any new project is under implementation in NFL; if so, the Project cost and the time of completion;

(d) whether there was any note of dissent in the report of the Disinvestment Commission on the strategic sale of NFL; and

(e) if so; the salient points of the note of dissent and Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI RAMESH BAIS): (a) Product-wise capacity utilisation of each units of National Fertilizers Ltd. in last three years has been as under.

| Name of the unit | Product | %age Capacity utilisation | | |
|---|---|---|---|---|
| | | 1997-98 | 1998-99 | 1999-2000 |
| Nangal-I | CAN | 54.9 | 69.4 | 48.4 |
| Nangal-II | Urea | 123.2 | 117.8 | 104.5 |
| Bhatinda | Urea | 110.9 | 98.5 | 106.2 |
| Panipat | Urea | 109.9 | 104.7 | 104.2 |
| Vijaipur-I | Urea | 117.3 | 117.7 | 112.0 |
| Vijaipur-II | Urea | 111.6 | 118.7 | 124.4 |
| TOTAL | | 110.5 | 109.6 | 108.1 |

(b) The profits earned by the Company in the last three years have been as under:

| Year | Profit before tax *(Rs. in Crores)* |
|---|---|
| 1996-97 | 10.24 |
| 1997-98 | 236.17 |
| 1998-99 | 58.36 |

(c) Currently, Nangal Urea Expansion Project of NFL is under implementation at an estimated cost of Rs. 135.13 crores. It is likely to be completed by 11.5.2000.

(d) and (e)Yes, Sir. The Report of Disinvestment Commission on National Fertilizers Limited has a note of dissent recorded by Prof. D.M. Nanjundappa, part time Member. While disagreeing with the majority of Members of the Commission for disinvestment of 51% of equity of NFL, Prof. Nanjundappa favoured disinvestment upto 49%. He cited following reasons in support of it;

(i) NFL should be treated as a 'core' enterprise and should be retained and fully developed in the public sector.

(ii) NFL should have professional management and fully autonomy as recommended by the Disinvestment Commission in its earlier Report and its capital and technolgical base must be restructured. Resources required for this can be mobilised by disinvesting upto 49% the proceeds being remitted to the Disinvestment Fund. This can support the strengthening of NFL and Government both Central and State, should meet portion of extra budgeting needs of NFL.

(iii) Unlike some other Public Sector undertakings, NFL has both production and distribution linkages. At any point of time, there should be confidence among the Indian fanners that there is a giant fertilizer producer like NFL in the Public Sector in India to meet their fertilizer needs and the farmers should not fear any threat of manipulation generally attributed to the private sector.

The recommendations of Commission were considered by the Government and it has been decided to accept them and disinvest minimum of 51 % of NFL equity to a strategic buyer with transfer of management control.

**Production and consumption of Tetracycline**

5035. SHRI S. AGNIRAJ: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) what was the total production and consumption of Tetracycline and vitamins $B^1$ & $B^2$ in the country during the last three years;

(b) whether it is a fact that there is a shortfall in the country due to the closing of certain units;